GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:1753
ANSWERED ON:10.12.2008
MORE FUNDS TO STATES UNDER CENTRAL SCHEMES
Adsul Shri Anandrao Vithoba

Will the Minister of PLANNING be pleased to state:

(a) whether the Government propose to give more funds to States under the Central Schemes as reported in The Hindu dated 04 August, 2008;

(b) if so, the details thereof;

(c) whether the Government has also advised the States to generate more revenue to supplement the schemes in this regard;

(d) if so, the details thereof; and

(e) the response of the State Governments thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI V. NARAYANASAMY)

(a) & (b): The Newspaper talks about funding of projects in the States by Union Government with specific reference to Tamil Nadu. The details of Plan Outlay for States as indicated in the Union Budgets during last three years is given below:

(Rs. Crore)

S.No.	COMPONENTS	2006-07	2007-08	2008-09
(1)	Budget Support for Central Plan	131284.53	154939.32	179954.00
(2)	Central Assistance for State & UT Plan	41443.32	50160.68	63431.50
(3)	Plan Outlay	172727.85	205100.00	243385.50
(4)	% of Central Assistance to Plan Outlay i.e. (2)/(3)	23.99	24.46	26.06

(c) to (e) : The Plans of States are financed through Central Assistance and States' Own Resources. In order to increase the Plan Outlay, the Government has been trying to augment public savings, enhance tax collection through introduction of better tax system, and also contain inflation. States have also been requested to generate higher level of their own resources inter- alia by improving the performance of State level Enterprises, increasing tax and non-tax revenue collection and also by curtailing their non-Plan expenditure.